MEMORANDUM of UNDERSTANDING
Memorandum of Understanding

on the Establishment of Cooperation between the Working Community of the Danube Regions, represented by the Province of Lower Austria (incl. Danube Ports)

and the

Regions of the Western Black Sea and its Ports
Preamble

In 2012/2013, the Working Community of the Danube Regions is under the chairmanship of Lower Austria; its chairman is the Governor of Lower Austria, Dr. Erwin Pröll. Parallel to this, the EU Strategy for the Danube Region (EUSDR) is in its first implementation phase. Furthermore, in 2010, in preparation for the revision of the TEN-T (Trans-European Transport Networks), the European Commission set up an expert group (Working Group – WG # 4), which was mandated to investigate the "Ten-T extension outside the EU" and to develop proposals on the basis of the TINA methodology developed in Vienna. A considerable part of the work focussed on the role of the seaports as "Gateways to Europe". Here, WG 4 identified a series of seaport agglomerations on the basis of the definition of the European Seaport Organization; the "Multi-Port Gateway Region No. 7, Black Sea West" is the subject of this Memorandum. The Multi-Port Gateway Region No. 10, North Adriatic, has already been implemented under the umbrella of NAPA – the North Adriatic Port Association.

Cooperation between the regions is a key component of economic development in the Danube region and also the basis of cooperation of their cities and ports.
Memorandum of Understanding

The governments of the regions and the territorial administrative units sharing the western Black Sea coast, namely Odessa oblast (Ukraine), Galați and Constanța counties (Romania) and Varna and Burgas oblasts (Bulgaria), hereinafter referred to as the Western Black Sea Regions, the national authorities of the seaports of Ukraine, Romania and Bulgaria, and the Working Community of the Danube Regions (Arbeitsgemeinschaft Donauländer), represented by Lower Austria as holder of the current chairmanship, all of which (hereinafter referred to as Partners) are involved in this process,

- AIMING at the facilitation of international trade between the Partners,

- DESIRING to strengthen cooperation among the Partners with a view to facilitating transport and trade, which are essential for the economic development of the regions,

- ACKNOWLEDGING the importance of the Western Black Sea Regions for the Euro-Asian transport routes,

- CONSIDERING the possibilities of the EU Strategy for the Danube Region (EUSDR) and the Working Community of the Danube Regions under the current chairmanship of Lower Austria,

- CONSIDERING the importance of the implementation of an organization between the western Black Sea seaports based on the proposal of a Multi-Port Gateway Region Black Sea West, following the example of NAPA,

- STRESSING that solutions to such common targets require a new and innovative approach within a regional cooperative framework,
CONFIDENT that interagency cooperation and coordination is of vital importance for a successful economic development of the Partners,

AWARE of the role that combined transport should play in the provision of efficient transport services in the Danube and Western Black Sea Regions, and

CONSCIOUS of the fact that certain measures can only be implemented in the long term,

agree on the following Memorandum of Understanding:

ARTICLE I: AIM

1. The aim of this Memorandum of Understanding is to enhance cooperation and coordination among the Partners towards a deeper common economic development of the Regions as well as the cooperation of the relevant river ports and sea ports, and to promote policies in this area that facilitate such development.

2. The cooperation furthermore aims at perceiving and defining the prerequisites and conditions for the most efficient use of funds and know-how provided by public and private sources.

3. Furthermore, the Partners are to cooperate in defining common projects and to develop a harmonized approach in financing all these projects, taking into consideration the various instruments of financing (IFIs) and the instruments of European co-financing.
4. Each participating Partner retains its organizational, financial and legal independence. As a matter of principle, no common assets or capital funds are established.

5. Any and all funds and resources shared between the Partners will be subject to a separate agreement.

6. Each Partner is free to determine the extent of its participation in accordance with its interests and financial possibilities. The participating Partners may sign an Annex to the Memorandum specifying the extent of their respective commitment.

7. Given the high probability of cooperation on European projects a clear division of responsibility / liability among the Partners is necessary.

**ARTICLE II: ACTIONS**

1. Work under this MoU will be jointly planned and monitored by the Partners, using the services of the permanent secretariat (Item 3.1).

2. In respect of technical, regulatory or other developments or needs under this process, the focus of the activities will, at each moment in time, be agreed between the Partners.

3. The Partners agree, after a start-up phase including a kick-off conference upon invitation of the Chairman of the Working Community of the Danube Regions, to the following:

   3.1 Establishment of a permanent secretariat
   3.2 Implementation of a lean cooperation structure
3.3 A baseline study commissioned by the secretariat (the details – range, participants, financing – are yet to be discussed)

3.4 Production of a traffic master plan

3.5 Start-up of discussions between the relevant bodies of the Partners, i.e. chambers of commerce, business agencies, regional and local authorities, etc.

3.6 Inclusion of this project of cooperation in the agenda of the Working Group on “Transport and Navigation” of the Working Community of the Danube Regions

4. Multi-Port Gateway Region Black Sea West

Start of negotiations on the formation of an organization following the example of the NAPA, taking into consideration the possible benefits of cooperation between the participating ports.

The possibility of setting up an association that enjoys legal capacity, similarly to the European Grouping of Territorial Cooperation, should be analysed.

The following benefits are expected:

4.1 Joint international presence in the regions and the ports
4.2 Common strategic goals in international competition
4.3 Development of common technical standards
4.4 Joint procurement
4.5 Joint presence at trade fairs and conferences
4.6 Expansion of the specific strengths of each Partner
4.7 Response to funding options for joint activities within the framework of the EUSDR
4.8 Common organization of the land and river transport links (hinterland connections)
4.9 Support for the development plans of the individual members from the Multi-Port Gateway Region Black Sea West
4.10 A strong partner for the surrounding regions

These activities will result in high savings potential.

As can be seen from the chart of the multi-port gateway regions, the Black Sea West gateway offers a chance to associate more closely with the major economies of Europe and the Danube region and to become better integrated into international networks (see attached map).

The Working Group on Transport and Navigation of the Working Community of the Danube Regions is prepared to accompany the starting phase of the Multi-Port Gateway Region Black Sea West.

**ARTICLE III: FIELDS OF SPECIFIC INTEREST**

The Partners agree to deal with certain specific tasks in the framework of the Memorandum of Understanding:

1. The Black Sea Ring Highway
   As it is of common interest to the Partners, the proposed Black Sea Ring Highway ought to play a special role in the baseline study mentioned above.

2. Motorways of the sea
   The Partners will cooperate in the identification, preparation and implementation of joint projects based on the concept of "motorways of the sea". This concept should also be covered in the baseline study.

3. Participation of other interested regions
   The Partners agree to invite, in a second step, the Danube ports and the Turkish Black Sea ports (Samsun and Trabzon) and the related regions to participate in this Memorandum.
4. Organizational measures
   The Partners agree to hold regular meetings organized by the secretariat according to the current needs of cooperation in order to consult on the main issues that arise and to agree on procedures and a work programme for their further discussions with a view to accomplishing these tasks.

**ARTICLE IV: INFORMATION**

1. The Partners agree to exchange the necessary information and know-how to achieve the aim of their regional cooperation.
2. The Partners undertake to enhance the exchange of information between their administrations and other relevant organizations, particularly through electronic means, which is considered to be an indispensable tool for intensifying cooperation. It is advisable to create contact points in each Partner organization that will be charged with this task.
3. This MoU may be amended, upon mutual agreement of the Partners, in the form of an addendum.
4. Such addendum will be an integral part of the Memorandum and will become effective upon signature.
5. If any of the Partners intends to withdraw from / terminate this Memorandum of Understanding, it may do so by notifying the other Partners six months in advance of the effective date of withdrawal / termination.

**ARTICLE V: COSTS**

All the Partners agree to bear expenses relating to their cooperation in accordance with the following:
Irrespective of other agreements, the Partners will be responsible for bearing their own costs, including international and domestic travel and accommodation costs. The respective host should offer appropriate support and assistance to the visiting delegations.

**ARTICLE VI: FINAL PROVISIONS**

1. Cooperation within the framework of this Memorandum of Understanding is based on a voluntary commitment and will continue until the objectives of the Memorandum of Understanding have been achieved.

2. This MoU is not legally enforceable and is not to be construed to create any legal obligation on the part of any of the Partners.

3. This MoU in no way restricts any of the Partners from participating in any activity with other public or private agencies, organizations, or individuals. Nothing in the Memorandum is to be deemed to derogate from previous agreements and understandings between the Partners.

4. This Memorandum of Understanding will become effective on the date of its signature and will continue in effect for a period of five years from that date. Upon expiry of the five-year period, the MoU may be extended unless otherwise terminated by the Partners.

5. The memorandum of understanding is created in German and English in the original, while the German version is finally valid. The two originals retain at the General Secretariat of the Working Community of the Danube Regions at the regional Government of Lower Austria. All partners will receive a copy in the facsimile.

This “Memorandum of Understanding” is being concluded between the Western Black Sea Regions and ports and the Working Community of the Danube Regions at the initiative of the Working Community of the Danube Regions.
Dr. Erwin Pröll
Governor of Lower Austria, Republic of Austria,
Chairman of the Working Community of the Danube Regions 2012-2013

Winfried Kretschmann
Prime Minister of Baden-Württemberg, Federal Republic of Germany,
Chairman of the Working Community of the Danube Regions 2014-2015

Stuttgart, February 28th, 2014
The Governor of Odesa Oblast State Administration, Ukraine

Gennadii Trukhanov
The Head of Odesa Local Council, Ukraine

Valerii Khmelniyuk
The Head of Chornomorsk Local Council, Ukraine

Vetiy Nakonechnyi
Acting Head of the SE “Ukrainian Sea Port Authority”

Igor Tkachuk
Acting Director of the SE “Odesa Commercial Sea Port”

Sergii Kryzhaniivskiy
Director of the SE “Chornomorsk Commercial Sea Port”
REPUBLIC OF ROMANIA

Dr. Nicolae Dobrovici Bacalbasa
The President of Galați County Council

Nicusor Daniel Constantinescu
The President of Constanța County Council

Marius Stan
The Mayor of Galați

Răzvan Stefan Mazare
The Mayor of Constanța

Luigi Ciubrei
The General Manager of the Danube Ports Administration Galați

Valeriu Nicolae Ionescu
The General Director of the Port of Constanța
AS OBSERVERS

COMMUNITY OF PUBLIC DANUBE PORTS IN AUSTRIA

Friedrich Lehr
Chairman
Annex to the Memorandum of Understanding

Multi-port gateway regions
1. Extended Rhine-Scheldt Delta
2. Helgoland Bay
3. UK SE Coast
4. Spanish Med
5. Ligurian Range
6. Seine Estuary
7. Black Sea West
8. South Finland
9. Portuguese Range
10. North Adriatic
11. Gdansk Bay
12. Kattegat/The Sound